Federal Communications Commission 445 12<sup>th</sup> St., S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

DA 05-2195

Released: July 28, 2005

## WIRELINE COMPETITION BUREAU APPROVES PLAN TO REFUND INTERSTATE ACCESS CUSTOMERS OF SPRINT/UNITED LECS FOR 1993 AND 1994 TARIFF PERIODS

CC Docket Nos. 93-193 and 94-65

On July 30, 2004, the Commission released the Add-Back Tariff Investigation Order, concluding its investigation of the 1993 and 1994 interstate access tariffs of price cap local exchange carriers (LECs) that implemented a sharing or lower formula adjustment.<sup>1</sup> The Commission found unjust and unreasonable the 1993 annual access tariffs of price cap LECs that implemented a sharing or lower formula adjustment in their 1992 Price Cap Indexes (PCIs) and that failed to apply add-back in computing their 1992 earnings and rates of return and resulting 1993 PCIs.<sup>2</sup> The Commission made the same findings for the 1994 interstate access tariffs of price cap LECs that implemented a sharing or lower formula adjustment in their 1993 PCIs.<sup>3</sup> Finally, the Commission ordered affected price cap LECs to: (1) recalculate their 1992 and 1993 earnings and rates of return, making an add-back adjustment; (2) determine the appropriate sharing or lower formula adjustment to their PCIs for the subsequent tariff year; (3) compute the amount of any resulting access rate decrease; and (4) submit a plan for refunding the amounts owed to customers plus interest as a result of any such rate decrease.<sup>4</sup>

The Sprint Incumbent Local Exchange Companies (Sprint) filed the refund plans required by the *Add-Back Tariff Investigation Order* and determined that refunds are due to interstate access customers of the following Sprint/United incumbent LECs:

- United Telephone of Florida
- United Telephone Company of Ohio
- United Telephone Company of Indiana, Inc.
- United Telephone Southeast, Inc.
- United Telephone Midwest
  - o United Telephone Company of Kansas
  - o United Telephone Company of Eastern Kansas
  - o United Telephone Company of South Central Kansas

<sup>&</sup>lt;sup>1</sup> 1993 Annual Access Tariff Filings, CC Docket No. 93-193, 1994 Annual Access Tariff Filings, CC Docket No. 94-65, Order, 19 FCC Rcd 14949 (2004) (Add-Back Tariff Investigation Order).

<sup>&</sup>lt;sup>2</sup> *Id*. at para. 1.

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> Id. at 14961, para. 29.

- United Telephone Company of Minnesota
- o United Telephone Company of Missouri
- o United Telephone Company of Texas
- O United Telephone Company of the West
- Sprint/United Telephone Northwest

(the Sprint/United LECs).<sup>5</sup> The Wireline Competition Bureau (Bureau) completed its review and, in the Add-Back Refund Order released March 17, 2005, approved Sprint's refund plans as further detailed in that order.<sup>6</sup> The Bureau recognized that, due to factors such as bankruptcy, changes in ownership, or simple passage of time, some customers of the Sprint/United LECs may no longer be readily identifiable.<sup>7</sup> Further, the Bureau did not require Sprint to identify and notify customers that may be due refunds of less than \$100. Customers that Sprint cannot identify and customers due refunds of less than \$100 may, however, obtain refunds through the following procedure, as specified in the Add-Back Refund Order: For at least 60 days after this notice is published in the Federal Register, Sprint must post this notice on its company web sites that are most often consulted by its interstate access customers. Sprint must also provide an address to which former access customers may submit refund claims by a specified date that is at least 60 days after the refund notice is first posted.<sup>8</sup>

For further information, contact Margaret Dailey of the Pricing Policy Division, Wireline Competition Bureau at (202) 418-1520.

- FCC -

<sup>&</sup>lt;sup>5</sup> See Recalculation and Refund Plan of the Sprint Incumbent Local Exchange Companies, CC Docket Nos. 93-193, 94-65 (filed Aug. 30, 2004).

<sup>&</sup>lt;sup>6</sup> 1993 Annual Access Tariff Filings, CC Docket No. 93-193, 1994 Annual Access Tariff Filings, CC Docket No. 94-65, Order, 20 FCC Rcd 6077 (WCB 2005) (Add-Back Refund Order).

<sup>&</sup>lt;sup>7</sup> See id. at 6087-88, paras. 21-22.

<sup>&</sup>lt;sup>8</sup> Id. at 6088, para. 22.